

## Status of Resolution of Reported Frauds

December 2001

Agency: 610

### Edmonds Community College

Audit Number	Finding Number
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6261	1	Finding:	A College long-distance calling card was used for unauthorized purposes.
		Fraud Amount:	\$14,621
		Recovery to Date:	\$0
		Action/Status:	Edmonds Community College personnel detected inappropriate use of the College's calling card when there was a significant increase in long-distance charges. The College notified the State Auditor's Office.

The College has taken the following corrective action:

- ☞ Immediately cancelled all four of its long-distance calling cards.
- ☞ Implemented improved procedures for monitoring all long-distance charges.
- ☞ Initiated use of technology to monitor all telephone usage.

**Criminal action taken:** This matter has been referred to the Snohomish County Prosecuting Attorney for any action deemed appropriate. However, the former employee left the area and cannot be found either for prosecution or possible restitution proceedings.

**Personnel action taken:** The employee was dismissed.

**Amount to be recovered:**

Restitution of misappropriation	\$14,621
Waived by telephone company	<u>4,394</u>
Net Loss	\$10,227

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6261	2	Finding:	The State long-distance telephone system was used for unauthorized purposes.
		Fraud Amount:	\$18,013
		Recovery to Date:	\$18,623
		Action/Status:	Edmonds Community College officials notified the State Auditor's Office about a faculty member's unauthorized use of the state's long-distance telephone system. The state Department of Information Services had contacted the College Director of Telecommunications to inquire into numerous international calls placed by an employee of the College. The College determined the calls were not business-related and immediately began an investigation

The College has taken the following corrective action:

- ☞ Immediately removed the faculty member's Scan access.
- ☞ Worked with the State Attorney General's Office and the State Auditor's Office to negotiate an early retirement and release agreement with the tenured faculty member.
- ☞ Modified and implemented the College's Scan system policy to prohibit personal use.

**Criminal action taken:** This matter has been referred to the Snohomish County Prosecuting Attorney for any action deemed appropriate. The Prosecuting Attorney declined to prosecute.

**Personnel action taken:** The employee retired pursuant to the negotiated early retirement and release agreement.

**Amounts to be recovered:**

Restitution of misappropriation	\$18,013
Audit costs	<u>610</u>
Total	\$18,623

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